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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

3 JUL 1974

MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS
(Legislative Department)

New Delhi, the 28th June, 1974/Asadha 7, 1896 (Saka)

THE INDIAN IRON AND STEEL COMPANY (TAKING OVER OF MANAGEMENT) AMENDMENT ORDINANCE, 1974

No. 4 OF 1974

Promulgated by the President in the Twenty-fifth Year of the Republic of India

An Ordinance to amend the Indian Iron and Steel Company (Taking Over of Management) Act, 1972.

WHEREAS the management of the undertaking of the Indian Iron and Steel Company Limited had vested in the Central Government for a limited period of two years with effect from the 14th day of July, 1972;

AND WHEREAS the said limited period of two years will expire on the 13th day of July, 1974;

AND WHEREAS the Central Government is of opinion that it is expedient in the public interest that the management of the undertaking of the Indian Iron and Steel Company Limited should continue to vest in the Central Government for a further limited period beyond the 13th day of July, 1974;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

Short title and commencement.

1. (*1*) This Ordinance may be called the Indian Iron and Steel Company (Taking Over of Management) Amendment Ordinance, 1974.

(*2*) It shall come into force at once.

Act 50 of 1972 to be temporarily amended.

2. During the period of operation of this Ordinance, the Indian Iron and Steel Company (Taking Over of Management) Act, 1972 (hereinafter referred to as the principal Act), shall have effect subject to the amendments specified in sections 3 to 11.

Amendment of section 2.

3. In section 2 of the principal Act, after clause (*a*), the following clause shall be inserted, namely:—

'(*aa*) "Board of management" means the Board of management constituted under section 4A;'.

Amendment of section 3.

4. In section 3 of the principal Act,—

(*i*) in sub-section (*1*) , for the words "two years", the words "five years" shall be substituted;

(*ii*) to sub-section (*1*), the following proviso shall be added, namely:—

"Provided that if the Central Government is of opinion that it is expedient in the public interest that the management of the undertaking of the company should continue to vest in the Central Government after the expiry of the period of five years aforesaid, it may, from time to time, issue directions for such continuance for such further period, not exceeding two years at a time, as may be specified in the directions; so, however, that the total period of such continuance, including the period of five years aforesaid, shall not exceed ten years; and where any such direction is issued, a copy thereof shall be laid, as soon as may be, before both Houses of Parliament.".

Insertion of new sections 4A, 4B, 4C, 4D and 4E.

5. After section 4 of the principal Act, the following sections shall be inserted, namely:—

Board of management.

"4A. (*1*) There shall be a Board of management consisting of one Chairman and not less than four and not more than fourteen other members.

(*2*) The Chairman and other members of the Board of management shall be appointed by the Central Government and shall hold office during the pleasure of the Central Government.

(*3*) Such of the members of the Board of management as may be specified by the Central Government as whole-time members may be placed in charge of such functions of management of the undertaking of the company as may be specified by that Government.

(*4*) The Chairman and other members of the Board of management shall receive from the funds of the undertaking of the company such allowances as may be prescribed for attending any meeting of the Board of management.

Board of management to manage the undertaking of the company.

4B. (*1*) On the commencement of the Indian Iron and Steel Company (Taking Over of Management) Amendment Ordinance, 1974, the Central Government may, by notification in the Official Gazette, direct that on and from such date as may be specified in the notification, the general superintedence, direction and management of the affairs and business of the undertaking of the company shall be carried on, for and on behalf of the Central Government, by the Board of management.

(*2*) Subject to the other provisions of this Ordinance and to the direction, control and supervision of the Central Government, the Board of management shall be entitled, notwithstanding anything contained in the Companies Act, 1956, to exercise, in relation to the undertaking of the company, all the powers of the Board of Directors of a company (including powers to dispose of any properties or assets of the company), whether such powers are derived from the Companies Act, 1956, or from the memorandum or articles of association of the company or from any other source.

1 of 1956.

Appointment of an Administrator.

4C. (*1*) There shall be an Administrator, to be appointed by the Central Government, to assist the Board of management to manage the affairs of the undertaking of the company.

(*2*) The Chairman or any other member of the Board of management may be appointed by the Central Government as the Administrator.

(*3*) All officers and other persons employed in connection with the affairs of the undertaking of the company shall be subordinate to the Administrator.

(*4*) The Administrator shall exercise, subject to the direction, control and supervision of the Board of management, such powers and discharge such functions of management in relation to the undertaking of the company as the Central Government may specify in this behalf.

(*5*) The Administrator shall receive from the funds of the undertaking of the company such remuneration as the Central Government may fix.

Custodian to vacate office.

4D. (*1*) The Custodian shall, on and from the date on which the management of the undertaking of the company is taken up by the Board of management, vacate his office as such; but nothing in this sub-section shall be construed as prohibiting his appointment as a member of the Board of management or as the Administrator.

(*2*) On the vacation of his office, the Custodian shall, where he is not appointed as the Administrator, forthwith deliver to the Administrator possession of all assets and properties of the company which are in his possession, custody and control on the date immediately preceding the date on which he vacates his office as the Custodian.

Meetings, etc., of the Board of management.

4E. (*1*) The Board of management shall meet for the transaction of its business at such time and place as it may think fit:

Provided that the Chairman may, whenever he thinks fit, and shall, upon the written requisition of not less than two members, call a special meeting.

(2) The quorum for a meeting of the Board of management shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or three members, whichever is higher.

(3) The Chairman, or, in his absence, any member chosen by the members present from amongst themselves, shall preside at a meeting of the Board of management.

(4) All questions which come up before any meeting of the Board of management shall be decided by a majority of votes of the members present and voting, and in the case of an equality of votes, the Chairman, or, in his absence, the person presiding, shall have a second or casting vote.

(5) All orders and decisions of the Board of management shall be authenticated by the signature of the Chairman or any other member authorised by the Board of management in this behalf and all other instruments issued by the undertaking of the company shall be authenticated with the signature of the Administrator or any other officer of the undertaking of the company authorised by the Board of management in this behalf.

(6) The Board of management shall regulate its own procedure.".

Omission of section 5.

6. Section 5 of the principal Act shall be omitted.

Amendment of section 7.

7. In section 7 of the principal Act, in sub-section (*1*), for the words "period of two years referred to in that sub-section", the words "period of five years referred to in that sub-section or the further period specified in any diections made under the proviso thereto" shall be substituted.

Amendment of section 9.

8. In section 9 of the principal Act, for the word "Custodian", wherever it occurs, the words "Administrator, Board of management or Custodian" shall be substituted.

Amendment of section 12.

9. In section 12 of the principal Act, after the words "any notification,", the words "direction," shall be inserted.

Amendment of section 13.

10. In section 13 of the principal Act, for the word "Custodian", wherever it occurs, the words "Administrator, Board of management or Custodian" shall be substituted.

Amendment of section 16.

11. In section 16 of the principal Act, in sub-section (*2*), for clause (*a*), the following clause shall be substituted, namely:—

"(*a*) allowances which may be received by the Chairman and other members of the Board of management for attending any meeting of the Board of management;".

V. V. GIRI,
President,

S. K. MAITRA,
Joint Secy. to the Govt. of India.

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